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No. 97-395

Supreme Court, U.S.
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In The

Supreme Court of the United States

October Term, 1997

TANABE SEIYAKU CO., LTD.
AND MARION MERRELL DOW, INC.,
Petitioners,

v.

UNITED STATES INTERNATIONAL
TRADE COMMISSION,
Respondent,

-and-

ORION CORPORATION FERMION, COPLEY
PHARMACEUTICALS, INC., INTERCHEM
CORPORATION AND RHONE-POULENC RORER, INC.,
Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

REPLY BRIEF

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TABLE OF AUTHORITIES

Page

CASES

Graver Tank & Mfg. Co. v. Linde Air Prods. Co., 339 U.S. 605 (1950) 7

Sage Prods., Inc. v. Devin Indus., Inc., 126 F.3d 1420 (Fed. Cir. Sept. 18, 1997) 8

Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 117 S. Ct. 1040 (1997) ..... *passim*

The oppositions, when read together, simply reinforce the magnitude of the lower court's error and the need for this Court's review to avoid the uncertain and inconsistent approaches that characterized doctrine of equivalents law prior to *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 117 S. Ct. 1040 (1997). The private respondent Fermion forthrightly acknowledges that the court below held that a pantentee cannot contend that a particular element in the accused process is equivalent to an element in the patented process if that element was deliberately omitted from the literal terms of the patent claim, at least where the omission was purportedly done because equivalence was not known at the time of the patent. Fermion Opp. at 14 ("[T]he lower court simply concluded . . . that because Tanabe specifically excluded other ketones such as butanone from the claim, it could not capture those ketones under the doctrine of equivalents."); *see id.* at 9-14. Since it cannot defend any such ruling, however, the federal respondent, International Trade Commission ("ITC") – in a stark reversal of the position it clearly articulated in the Federal Circuit – simply denies that the court below made such a ruling. It contends, rather, that the court examined only whether butanone and acetone were objectively equivalent at the time of infringement, and did not attach negative significance to the patent claim's exclusion of butanone. U.S. Opp. at 10-13.

The fact that the respondents in this very case could so fundamentally disagree about the scope and basis of the ruling below, and its consistency with *Warner-Jenkinson*, vividly illustrates that this Court's intervention is essential to provide coherent, national uniformity on the important and recurring question of the scope to accord the doctrine of equivalents when a patent claim is narrowly drafted. Moreover, while respondent Fermion is entirely correct that the court below precluded petitioner from contending that butanone was equivalent, the ITC is correct that this ruling cannot be squared with *Warner-Jenkinson*, for two reasons. First, under *Warner-Jenkinson*, a patentee's omission of an

element from the patent claim precludes recapturing that element as equivalent *only* when it was omitted to secure the initial patent. 117 S. Ct. at 1049. Second, the equivalence of patented and accused elements is to be determined objectively at the time of infringement; it is irrelevant whether the equivalence was known at the time of the patent or subjectively disclosed by the pantentee when securing the patent. 117 S. Ct. at 1052-53.

For the same reasons that this Court refused to "speak the death" of the doctrine of equivalents in *Warner-Jenkinson*, it must now confront this new and growing line of precedent which attempts to confer upon the courts (and the ITC) virtually unlimited authority to limit, condition or withhold the application of the doctrine of equivalents under the rubric of claim construction. 117 S. Ct. at 1045.

1. In a transparent effort to avoid this Court's review of a decision it cannot defend on the merits after *Warner-Jenkinson*, the ITC advanced in this Court an understanding of the ruling below that directly contradicts not only the legal opposition it urged on the panel, but also the interpretation of the panel's decision it offered to the Federal Circuit when rehearing *en banc* was sought. Under the ITC's revisionist argument in *this* Court, the decision below held that the doctrine of equivalents *is* availale to recapture omitted elements – such as butanone – even if the element was deliberately omitted because it was not known to be equivalent at the time of the patent.

But this interpretation is facially irreconcilable with the panel's clear statement that "the doctrine of equivalents is *not* available for the attainment in court of a scope of protection which encompasses subject matter deliberately removed from examination by the PTO during prosecution through narrow claiming. . . . " App. 14 (quoting *Genentech, Inc. v. Wellcome Found., Ltd.*, 29 F.3d 1555, 1568 n.41 (Fed. Cir. 1994)) (emphasis added). The ITC itself premised its finding of no equivalence on precisely this legal doctrine, urged precisely this *per se* rule of preclusion on the panel and represented to the *en banc* court that the panel had simply applied the *Genentech* rule that the doctrine of equivalents was "not

available" to recapture elements outside the scope of a narrow claim. App. 28-29; ITC Panel Brief at 22, 27; ITC En Banc Brief at 3 & n.1. Like private respondent Fermion in this Court, the ITC argued below that such legal preclusion is correct because *Warner-Jenkinson* limited *only* prosecution history estoppel, but did not "reject[ ] the Federal Circuit's precedent concerning narrow claiming." ITC En Banc Brief at 9. Now, however, the ITC simply ignores the decision below's square ruling to pretend that the opinion was not based on any "general principle of law." U.S. Opp. at 13.

Similarly, contrary to the ITC's representation, the panel most certainly did improperly "consider the state of knowledge about acetone and butanone at the time that the [U.S. and foreign] patent[s] [were] issued" in order to "determin[e] whether the two chemicals were equivalent" and *not* to resolve the "separate question of patent construction." U.S. Opp. at 12. The ITC's contrary assertion in this Court contradicts both the plain language of the opinion itself[1] and the ITC's explicit representation to the *en banc* court that, when it and the panel were examining Tanabe's representations to U.S. and foreign patent offices, they were "*not* considering the inventors' views as to whether the inventors intended the term 'acetone' to cover butanone when they drafted their claims" but, "[r]ather the Commission and the panel were considering the inventor's views as to whether butanone and acetone were *interchangeable* in the [patented] process." ITC En Banc Brief at 11-12 (emphasis added); *see id.* at 7.[2]

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[1] *See, e.g.*, App. 11, 14, 17. *See also* Pet. at 9-10, 16-18.

[2] The ITC's position on the panel's use of prosecution history and foreign office representations also directly contradicts the ITC's simultaneous representation to *this* Court that Tanabe's pre-application experiments – i.e., its "state of knowledge about acetone and butanone at the time that the '035 patent was issued" – were "considered . . . only on the separate question of whether acetone and butanone are, in fact, equivalent" and did not "consider this evidence in construing Tanabe's '035 patent claim." U.S. Opp. at 12; *id.* at 13 n.4. Needless to say, the ITC cannot explain why the panel would use the pre-application experiments solely to determine equivalence between butanone and acetone, but would

It would, of course, have been entirely pointless for the panel to examine the various pre-infringement materials reflecting Tanabe's (or others) knowledge concerning equivalence to determine whether the claim should be *construed* "narrowly" to exclude "butanone." It is self-evident that the claim language included only "acetone" and no one ever contended otherwise; so there was no ambiguity about the claim to "construe" and no need to resort to the prosecution history or foreign patent office representations for the purpose of resolving any ambiguity. The only dispute was whether Tanabe could recapture butanone although it was *outside* the narrow claim and although, prior to infringement, Tanabe purportedly "conclude[d] that the patented process would work only with acetone." U.S. Opp. at 11. Like the ITC opinion it affirmed, the panel unequivocally concluded that there could be no equivalence " '*[i]n view of* Tanabe's decision to use restrictive language in the claims of the '035 patent, specifying only acetone . . . and, given the admissions made to the PTO about the specificity of the claimed invention, and the further admissions Tanabe made to the EPO and other foreign patent offices.' " App. 11 (quoting ITC opinion) (emphasis added).

The ITC seems to also suggest that the panel's use of prosecution history and other pre-infringement evidence of equivalence is permissible because a mythical person "skilled in the art" might construe such evidence as significant. The makeweight nature of this rationalization is obvious. Regardless of whether it is the court or someone "skilled in the art" who considers the pre-infringement evidence, the equivalence determination still turns on what was known about equivalence prior to infringement, rather than objective equivalence at the time of infringement. It is therefore plain error under *Warner-Jenkinson*.

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simultaneously use every *other* indicia of the pre-infringement "state of knowledge" concerning equivalence only to "construe" whether butanone was included within the claim, but *not* to determine equivalence.

The ITC contends that the court engaged in such an objective inquiry at the time of infringement, but the panel nowhere suggested it was doing so and the only evidence that ITC can muster in this regard is the court's brief assertion that respondent Fermion's experiments with butanone sometimes produced "lower yields" than the process with acetone – experiments nowhere mentioned in the ITC opinion affirmed by the panel. App. 14. But the court simply concluded that these experiments demonstrated that Fermion's intent was to "design around" the patent, rather than "copy" it. App. 18. As *Warner-Jenkinson* teaches, however, examining whether an infringer intended to "copy" or "design around" is both impossible and not "relevant for its own sake," but only as it bears on the question which the panel assiduously avoided; i.e., objective equivalence at the time of infringement. *Warner-Jenkinson,* 117 S.Ct. at 1052-53. In any event, the court obviously did not purport or intend to use Fermion's experiments as a proxy for the proper objective inquiry at the time of infringement, since it had already made clear that the "scope we accord to the doctrine of equivalents" was dictated by the "sharply restricted nature of the claims." App. 14.[3] In short, there is no serious question that the panel precluded an equivalence finding because, prior to infringement, the

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[3] ITC suggests that the panel did not use the "sharply restricted nature of the claims" (and related materials) as eliminating the possibility of equivalents, but simply made a factual determination that butanone was not one of those permissible equivalents. But if, as the ITC elsewhere concedes, the panel's equivalence determination was premised on the conclusion that, at the time of the patent, the "patented process would only work with acetone," this necessarily means that *anything but* acetone would not work and could not be equivalent. U.S. Opp. at 11; App. at 13-17. So the panel did not hold open the possibility that some undefined substance "closer to" acetone than butanone could somehow be deemed equivalent. Indeed, if butanone was not acetone's equivalent, then nothing could be because all agree that butanone and acetone are "homologs" – the closest *possible* chemical equivalents – and that "a person skilled in the art might normally be expected to try to substitute butanone for acetone." App. 10-11.

"inventors did not consider butanone to be interchangeable with acetone" and the ITC's newly-minted attempt to obfuscate this straightforward issue should not mislead the Court into believing otherwise. App. 16.

2. To its credit, respondent Fermion concedes the obvious: the court below squarely held that "Tanabe was precluded as a matter of law, by the doctrine of narrow claiming, from expanding its claim scope under the doctrine of equivalents to capture what it might originally have been able to claim." Fermion Opp. at 13. They argue, however, that so precluding the recapturing of elements deliberately omitted from the claim is fully consistent with *Warner-Jenkinson*, although it is conceded by all that there is no evidence that this omission was designed to secure the patent and that the panel deliberately eschewed examining whether the "reason" for exclusion related to patentability. App. 14; U.S. Opp. at 11; Fermion Opp. at 11.

Warner-Jenkinson, however, quite clearly held that there is infringement if the "accused product or process contains elements identical or equivalent to each claimed element of the patented invention," unless the equivalents have been surrendered during patent prosecution to achieve patentability. 117 S. Ct. at 1044. Even more directly, the Court explicitly rejected the contention that "equivalents must not only be known, but must also be actually disclosed in the patent in order for such equivalents to infringe upon the patent." 117 S. Ct. at 1053. Here, the private respondents and the Federal Circuit contend that patentees may recapture only equivalents that are not only known and disclosed by the patent, but that are literally within the patent claim itself. Particularly since this rule necessarily means that patentees can bring only *literal* infringement suits, it is in obvious conflict with the precise holdings of *Warner-Jenkinson*.

Fermion is quite correct that the lower court's estoppel is not "prosecution history estoppel." It is a far broader and more unworkable estoppel. This estoppel would bar all elements that were never included in a claim submitted to the PTO, not only those elements surrendered at the behest of the PTO. But since the patent protects elements omitted from the

literal claims at the PTO's behest for reasons unrelated to patentability, it necessarily also protects elements initially omitted from the claim by the patentee for reasons unrelated to patentability.

Yet under the bizarre rule erected by the Federal Circuit in the wake of *Warner-Jenkinson*, a patentee *forced* by the PTO to omit an element would be free to recapture that element as an equivalent (if it can show that the forced omission was unrelated to patentability), yet precisely the same patentee is forever barred from recapturing the same element simply because it chose to claim conservatively from the outset. There can be no rational reason for such inequitable discrimination between identically situated patentees. In both cases, the patentee is not using the doctrine of equivalents to expand the scope of the patent beyond what is "properly patentable" in the first place – the only legitimate purpose of prosecution history or any other estoppel, as *Warner-Jenkinson* confirms.[4]

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[4] Moreover, both forms of estoppel preclude the patentee from bringing an infringement action against "what it might originally have been able to claim," which means that patentees can only bring literal infringement suits for elements it did *include* in its claim. This would, of course, "speak the death" of the doctrine of equivalents – the precise general result rejected by *Warner-Jenkinson* – or, perhaps, allow infringement actions only against equivalents known at the time of the patent – the specific rule unequivocally rejected in *Warner-Jenkinson.* Indeed, it is more inequitable to apply such estoppel to patentees who *submit* a narrow claim to the PTO because, if the PTO requires a narrow claim, the patentee will at least have some "opportunity," albeit perhaps no "incentive," to "insist that the reasons for all modifications be memorialized in the file wrapper," while one claiming narrowly initially has no such contemporaneous record. *Warner-Jenkinson*, 117 S. Ct. at 1055 (Ginsburg, J., concurring). The Fermion respondents' rule is also contrary to this court's clear precedent since the patentee in *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605 (1950), did not omit the equivalent element at the behest of the PTO, but did so in its initial claim, yet nevertheless prevailed in its infringement suit.

Nevertheless, as Fermion also correctly notes, the Federal Circuit continues to blithely invoke the same "narrow claiming" estoppel employed in the decision below without even considering *Warner-Jenkinson*. *See e.g., Sage Prods., Inc. v. Devin Indus., Inc.*, 126 F.3d 1420 (Fed. Cir. Sept. 18, 1997). Since it is difficult to conceive of a rule more irrational, more inconsistent with the holdings of *Warner-Jenkinson* and more rife with potential to undermine the consistency and certainty *Warner-Jenkinson* sought to impose on the doctrine of equivalents, the decision below's "new rule of general application" warrants this Court's review. U.S. Opp. at 8, 10.

3. The fundamental flaw in the lower court's opinion is that it conflates the entirely separate questions of whether claims should be *construed* to literally encompass a particular accused element and whether a particular accused element is *equivalent* to the elements encompassed within the literal claim. The court below eviscerated this distinction by holding that infringement suits under the doctrine of equivalents reach no farther than literal enforcement suits – neither can challenge an accused process which includes an element that was omitted from the patent claim. Similarly, even under the ITC's revisionist understanding, all the materials – claim language, prosecution history, foreign office representations, pre-application experiments – which can permissibly be used to determine whether the words in a claim would be construed by one skilled in the art to literally encompass the accused element, are fundamentally misapplied to determine whether one skilled in the art would conclude that the accused element is not equivalent because it was not known to be equivalent at the time of the patent. Under either version of the decision below, equivalence is not determined by an objective inquiry at the time of infringement, but by what the patentee either literally stated in his patent or knew about equivalence at the time of the patent. Thus, the court below seeks to improperly expand its power of claim construction to impose limitations on the factual inquiry into objective equivalence.

Moreover, while both respondents deny that this rule will hopelessly confuse doctrine of equivalents litigation, this denial is wholly belied by the fact that even respondents

interpret the decision below in diametrically conflicting ways and, under either interpretation, the decision erects a rule incapable of principled application. In the wake of the decision below, and subsequent Federal Circuit cases following it, lower federal courts will be unable to resolve the most fundamental issues in doctrine of equivalents law. They will not know, for example, whether the range of permissible equivalents for narrow patent claims is (1) none as a matter of law, or (2) elements omitted for reasons unrelated to patentability, but only if the elements were omitted at the behest of the PTO, or (3) those elements which the patentee failed to include in the literal claim language, so long (perhaps) as the patentee did not "deliberately omit" those elements, or at least so long as he did not omit them because he did not think they would "work," or (4) those which one skilled in the art would find objectively equivalent (or would find that the patentee believed equivalent) at either the time of the U.S. patent or the time of the foreign patent or at the time at which the infringer began to "design around" the patent or at the time of infringement, or some unspecified combination of the above. Moreover, the ITC says that prosecution history and representations to foreign patent offices cannot be used to determine equivalence, but only to construe claims, in stark contrast to pre-application experiments, which can only be used to determine objective equivalence, but cannot be used to construe claims. It simultaneously asserts, however, that prosecution history and foreign office representations are nonetheless probative evidence of objective equivalence at the time of the infringement because they would suggest to "one skilled in the art that the [equivalent element] may not be useful." App. 13. The ITC says that a patentee's intent and reasons for excluding an omitted element are of no relevance to the equivalence inquiry, but Fermion disagrees. U.S. Opp. at 11; Fermion Opp. at 6-7. Both assert, however, that it is nevertheless permissible to examine pre-infringement materials (including the inventor's own pre-application experiments) to conclude that the "inventor did not consider" the omitted element to be an "insubstantial change," as well as whether the infringer's intent was to "copy." App. 14. Some undisclosed combination of the above are purely legal questions to be resolved by the Court as a matter of claim construction, while some overlapping factors are purely factual issues for the jury to

resolve under the doctrine of equivalents, and some amalgam of the above may (or may not) be sufficient to rebut a clear showing of objective equivalence at the time of infringement.

This confused and self-contradictory melange cannot be converted by lower courts into consistent legal principles, much less coherent jury instructions. Yet, absent intervention by this Court, it will replace *Warner-Jenkinson's* straightforward and easily-applied test: The jury determines as a factual matter whether the accused element is objectively equivalent at the time of the infringement, unless the element was omitted from the patent claim to secure patentability. The Court should therefore review this case on the merits or, at a minimum, vacate and remand since the panel plainly did not attempt to apply the teachings of *Warner-Jenkinson* (decided just four days before) and such reconciliation is plainly necessary to restore some semblance of predictable, coherent principles to the Federal Circuit's doctrine of equivalents jurisprudence.[5]

Respectfully submitted,

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[5] The ITC contends that vacating and remanding is inappropriate because there is no "reasonable probability" that application of *Warner-Jenkinson* would alter the "outcome" here. U.S. Opp. at 14 n.5. This assertion, of course, is wholly belied by the fact that (1) the result and analysis below are irreconcilable with *Warner-Jenkinson's* plain language; (2) the lower court never alluded to, much less applied, the analysis employed in *Warner-Jenkinson* and (3) both respondents take diametrically opposed views concerning *Warner-Jenkinson's* impact on the rationale of the decision below.